



Reference: 211287

November 18, 2014

Teck Coal Limited
3300-550 Burrard Street
Vancouver BC V6C 0B3

Attention: Marcia Smith, Senior Vice President, Sustainability and External Affairs

Dear Marcia:

I am pleased to advise you that the Ministry of Environment has completed a review of the Area Based Management Plan (also known as the Elk Valley Water Quality Plan) that was submitted in accordance with section 89 of the *Environmental Management Act*.

Based on the recommendations of Regional Environmental Protection Division staff with the Ministry of Environment, I am satisfied that there has been an adequate public review and consultation process with respect to the development of the plan. I am pleased that Teck Coal Limited ("Teck") has met with and presented the plan to the Ktunaxa Nation Council and other stakeholders.

I understand that any further delay in approving the Area Based Management Plan will significantly delay the implementation of the plan and result in increasing contaminant loadings to the environment and negative operational effects in the Elk Valley.

Pursuant to Section 90 of the *Environmental Management Act*, I hereby approve the Area Based Management Plan titled "Elk Valley Water Quality Plan", by Teck Resources Limited, dated July 22, 2014, subject to the following:

1. Teck will be required to implement the submitted Area Based Management Plan.
2. Teck is recommended to participate and contribute resources to the proposed Lake Koocanusa Monitoring and Research Working Group. A working group proposal has been drafted and is under discussion amongst relevant parties. Ministry staff will co-chair this working group with a State of Montana representative. The technical advice from this group will help guide research and monitoring activities within Lake Koocanusa. Recommendations from this working group will also be of interest to Teck and Ministry staff.

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3. It is recommended that Teck be involved with and contribute resources to the establishment of a committee for including Traditional Knowledge from the Ktunaxa Nation in various environmental activities. Teck's operational and environmental activities would benefit from this traditional knowledge.
4. Should sound science result in an amendment of the BC Water Quality aquatic guideline, which is reflected in the plan's long term selenium target of 2 ug/L in Lake Koocanusa, Teck should be prepared to implement changes in a timely manner that would achieve the new long term standard.
5. The British Columbia Drinking Water Guidelines set the benchmark for contaminant levels that are protective of human health. Teck is strongly encouraged to strive towards continuous improvement of the water quality in the Elk Valley.
6. The social and economic considerations presented in the plan lacked a rigorous consideration of effects at different levels of water quality. The social and economic considerations in the plan need to be re-evaluated considering different levels of water quality. The Ministry proposes to have this portion of the study re-evaluated and expects that Teck will participate fully in this re-evaluation.
7. It is expected that Teck will provide the public with timely, transparent updates and disseminate all relevant data collected as part of the Area Based Management Plan.

The implementation of this plan will require the continued commitment of Teck to fulfill its obligation to address the environmental issues in the Elk Valley and Lake Koocanusa.

It is the responsibility of Teck to ensure that all activities conducted under this Area Based Management Plan are carried out with regard to the rights of third parties, and comply with other applicable legislation that may be in force.

The submitted plan reflects a high level of commitment to maintain and improve water quality in the Elk Valley and Lake Koocanusa. I appreciate your commitment and assure you of continued support and co-operation from ministry staff during implementation of the Area Based Management Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Polak". The signature is fluid and cursive, with the first name "Mary" and last name "Polak" clearly distinguishable.

Mary Polak
Minister

cc: Mark Digel, Teck Coal Limited, Suite 1000, 205-9th Avenue S.E., Calgary
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Lynn Kriwoken, Ministry of Environment, 4th Floor – 395 Waterfront Crescent, Victoria
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Kim Bellefontaine, Ministry of Energy and Mines, 6th Floor – 1810 Blanshard Street,
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